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OCI No. 2344/63

**CENTRAL INTELLIGENCE AGENCY  
Office of Current Intelligence  
5 September 1963**

**CURRENT INTELLIGENCE MEMORANDUM**

**SUBJECT: Reported Snub of Rumanians at Leipzig Trade Fair**

1. Official reporting has not yet confirmed the Western press report that the East Germans and the Soviets snubbed the Rumanians at the Leipzig Fair. However, such slights would be logical in view of Rumania's refusal during the past year to submit to certain Russian sponsored policies in CEMA.
2. Rumania has opposed the creation of bloc economic bodies or the implementation of certain bloc-wide economic policies which would infringe on its national prerogatives. Bucharest also holds that the level of economic development of the CEMA member states must be equalized before economic integration can be achieved, and insists that no decisions of the Executive Committee of CEMA are valid unless they are unanimous. Rumanian officials have repeatedly admitted to Western diplomats that there are differences within the bloc on economic planning.
3. The USSR made a quiet, little-publicized effort to convince Rumania to change its position. A CPSU delegation, led by Presidium member Nikolay Podgorny, visited Rumania for two weeks during May and June and Khrushchev secretly visited Rumania on 24-25 June. No softening of the Rumanian position resulted, however, and Rumanian party leader Gheorghiu-Dej did not join the other Eastern European leaders in East Berlin for Walter Ulbricht's birthday celebration in late June.
4. The disagreement over bloc economic policy took on political overtones when Bucharest began to

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use Moscow's need for support in the Sino-Soviet dispute as a lever to force acceptance of its position. Alone among the Eastern European countries, Rumania agreed to an increase in Sino-Rumanian trade for 1963, returned its ambassador to Tirana, and published a summary of the 14 June Chinese Communist Party letter a month before the USSR made it public. In sharp contrast with the rest of the bloc, Rumania continues to play down the Sino-Soviet dispute. This policy has left the door open for some continuity in Rumania's relations with China, should those with the Soviet bloc deteriorate markedly.

5. Bucharest has also had some success in promoting trade with the West and in some instances has been willing to make limited political concessions to increase trade. East Germany, the USSR, and some of the other more industrially advanced Soviet bloc countries almost certainly disapprove of this growth in Rumanian trade with the West, since it has been in part at the expense of the bloc.

6. Gheorghiu-Dej told visiting Agriculture Secretary Freeman on 4 August that Bucharest hopes to buy certain industrial installations from the US. In return, Bucharest would be willing to examine and if possible resolve outstanding problems with Washington. As a deliberate overture to the West in general, Rumania—in contrast with the other satellites—stopped jamming Western broadcasts on 29 July and has proposed abolishment of advance travel notification requirements on a reciprocal level.

7. Khrushchev thus far has failed to force Gheorghiu-Dej to recant and remains unwilling to take extreme measures to achieve this end. Employing them would have broad political consequences both inside and outside the bloc. The Rumanians after achieving the highest industrial growth rate in the bloc for 1962, appear pleased and self-confident as they continue to place their own national interests above those of the bloc.

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